BRITISH COLUMBIA

BC STATS Infoline

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http://www.bcstats.gov.bc.ca

highlights

a weekly digest of recently released British Columbia statistics

Tourism

- **Room revenue in the province increased 2.6% (seasonally adjusted) between August and September, as revenues topped the $100 million mark for the first time since January.** Kootenay (+6.3%) led the regions, followed by Vancouver Island/Coast (+3.1%) and Mainland/Southwest (+3.0%). Revenues also rose in Thompson/Okanagan (+2.6%) and Nechako (+1.5%), but fell in North Coast (-1.7%), Cariboo (-3.2%) and Northeast (-0.4%). *Source: BC STATS*

- **Visitor entries to BC were up 9.2% in November, compared to the same month of 1997.** Entries from the US increased 11.4%, but 3.5% fewer people came to the province from other parts of the world. Asian entries fell 10.3%, enough to offset an 8.0% increase in the number of entries from Europe. *Source: Statistics Canada*

Prices

- **British Columbia's consumer price index (CPI) was marginally higher (+0.3%) in December 1998 than a year earlier, but residents of the province continued to benefit from one of the lowest inflation rates in the country.** The Canadian year-over-year inflation rate was 1.0%, with rates in other provinces ranging from a low of 0.1% in Newfoundland to a high of 2.0% in Manitoba. In PEI, prices were unchanged from the previous December.

  Among major cities, only Charlottetown and Saint John (both at 0.2%) had a lower inflation rate than Victoria's (0.3%). The all-items CPI for Vancouver was 0.5% higher than twelve months previously. *Source: Statistics Canada*

- **British Columbia's annual inflation rate was 0.3% in 1998, the lowest it has been since 1978, when the first provincial CPIs were produced.** Declining shelter costs continue to be the main reason for the province's very low inflation rate. Shelter costs fell for the fourth straight year, declining 1.9% despite a modest increase (+0.7%) in the cost of rented accommodation. The cost of owned accommodation (mortgage interest, property taxes, insurance and other expenses) decreased 3.6% during 1998.

  Lower transportation costs (-1.2%) also helped keep inflation down during 1998. Offsetting this were increases in the cost of household operations (+3.5%), health and personal care (+2.4%), clothing (+1.8%) and food (+1.5%). The cost of other goods purchased by households increased more moderately. *Source: Statistics Canada*

- **The Canadian inflation rate was 0.9% in 1998.** Prices increased in seven of the eight major commodity groups. The only exception was transportation services (-0.8%).

  Among the provinces, the CPI increased at rates ranging from 0.2% in Newfoundland to 1.4% in Saskatchewan and Quebec. For the second time this decade, residents of PEI experienced overall price deflation, with the CPI dropping 0.5%.

  Source: Statistics Canada

The Economy

- **Exports of BC products were up for the fourth straight month in November, increasing to 1.6% above the November 1997 level.** International sales of consumer goods (+27.2%), automotive products (+21.8%) and machinery and equipment (+19.8%) rose sharply, as exporters continued to benefit from the low value of the Canadian dollar. Forest product exports were up a more modest 2.4%. Bolstered by a 20.5% increase in exports from Ontario, the Canadian

Report **Offsetting export losses in Asia with US gains**

Did you know...
Twenty-one percent of Americans surveyed say they are regularly bored. How do they cope? Forty-four percent eat, 27% go for a drive–and 11% get their hair cut.

total was 8.1% higher than a year earlier.
Source: Statistics Canada

- **British Columbia exports totalled $23.4 billion during the first eleven months of last year, 5.2% less than in the same period of 1997.** Weakness in the industrial goods (-14.9%) and forest products (-11.4%) sectors was the main reason for the decline.

  Saskatchewan (-11.7%) and Alberta (-9.1%), with their heavy dependence on energy and agricultural products, have experienced a deterioration in exports during most of 1998. Exports were also down in New Brunswick (-2.6%), but have been increasing in the rest of Canada, rising 5.1% overall. *Source: Statistics Canada*

- **Exports to the US–BC's biggest market–rose 8.9% during the first eleven months of last year.** However, the economic situation in Asia has continued to affect demand for BC products, and sales to that part of the world were down more than a quarter (-27.3%). Exports to all regions outside Central and North America have fallen below 1997 levels.
  Source: Statistics Canada & BC STATS

- **Shipments by BC manufacturers fell 1.5% (seasonally adjusted) in November, after increasing in the previous five months.** Shipments of durable goods fell 2.6%, pulled down by double-digit declines in machinery and equipment (-17.1%) and electrical and electronic product (-13.0%) shipments, and weakness in most other durable goods industries. Wood shipments fell (-1.1%) for the first time since the summer. The non-durables sector was stagnant, with shipments edging down 0.1%. A 1.7% increase in food shipments was enough to offset weakness in most other sectors. Paper shipments continued to show little change, declining 0.2% after increasing marginally (+0.2%) in the previous month. *Source: Statistics Canada*

- **Year-to-date, BC shipments were down 3.5% from the first eleven months of 1997, reflecting downturns in both the durables (-4.0%) and non-durables (-3.2%) sectors.** Canadian shipments rose 2.8%. Manitoba (+7.2%) and Newfoundland (+6.0%) recorded the strongest growth. Manufacturers in central and eastern Canada continued to outperform those in the west. Shipments declined in Alberta (-4.1%), BC (-3.5%) and Saskatchewan (-2.9%). New Brunswick (-3.6%) was the only other province where shipments fell below 1997 levels.
  Source: Statistics Canada

- **Retail sales in British Columbia declined 0.2% (seasonally adjusted) between October and November.** Sales have decreased in all but three months since January. Canadian sales improved in November, rising 1.1% after falling back 1.7% in the previous month. Sales were up in all other regions except PEI, where they were unchanged from October. New Brunswick (+2.8%) posted the strongest gain.
  Source: Statistics Canada

- **Year-to-date, retail sales in the province fell 1.3% during the first eleven months of 1998, compared to the same period of 1997.** The decline in sales was widespread, with most retailers moving less merchandise than they did in 1997. Sales were down in 9 of the 16 retail industry groups. Nationally, retail sales rose 4.6% in the first eleven months of last year. Year-to-date sales were above 1997 levels in most sectors. Furniture stores (+8.3%) rang up the highest increase. *Source: Statistics Canada*

- **Wholesale sales in the province decreased 0.6% (seasonally adjusted) between October and November.** Sales were also down 0.6% at the national level as sales dropped in Ontario (-2.1%), Saskatchewan (-1.3%), BC (-0.6%) and Manitoba (-0.5%). The decline was attributed to lower sales of motor vehicles, parts and accessories; apparel and dry goods; and farm machinery and supplies.

  Year-to-date, BC sales were down 1.5%. Sales were also down in Nova Scotia (-1.7%) and increased only marginally in Alberta (+0.3%). In other provinces, year-to-date sales were well above 1997 levels, and as a result Canadian sales were up 3.8%. *Source: Statistics Canada*

For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

January 22, 1999

Infoline Report: Offsetting Export Losses in Asia With Gains in U.S. Market

Contact: George Dufour / (250) 387-0376

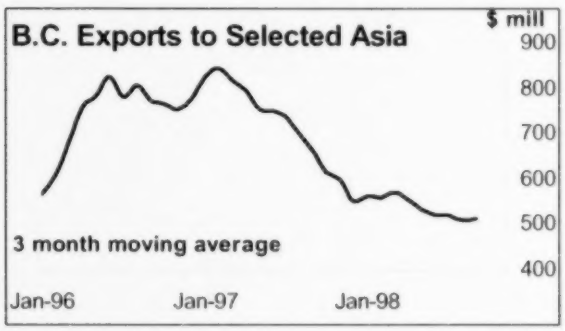
Originally published in October 1998 issue, *Exports*. Annual subscription: $60 + GST

Note:

'Asia', as referred in this report includes the following countries: Japan, China, Hong Kong, Taiwan, South Korea, Indonesia, Thailand, Singapore, Brunei, Malaysia, Philippines.

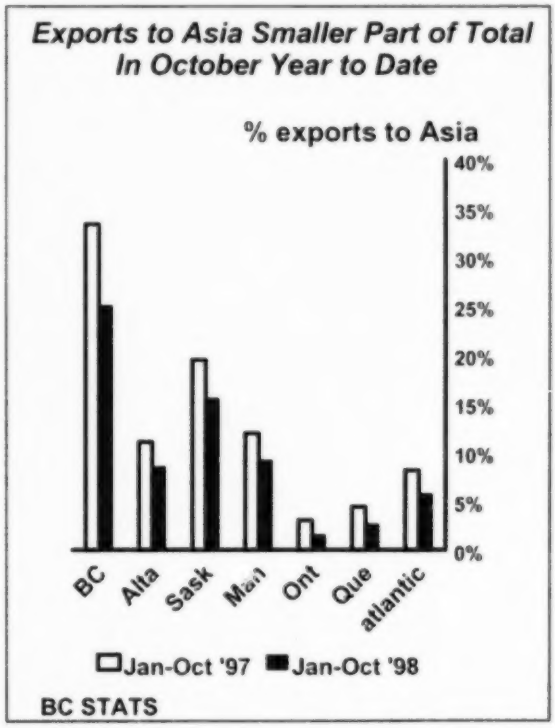
All provinces experienced sharp drops in the value of their exports to Asia in 1998, caused mainly by the 'Asian Flu' economic crisis. The crisis first began when the Thai baht was sharply devalued during the late summer of 1997. This triggered a series of problems throughout the region, throwing one country after another into economic crisis. As more Asian countries became caught up in the crisis, their economies slowed or went into recession, and their demand for imported commodities dwindled.

Some provinces have been more affected by these events than others. British Columbia suffered the most because it has more of its export trade concentrated in Asian markets than any other province. British Columbia exports to Asia fell by $2,228 million in October year to date from the same months of 1997. (October is the most recent month for which export statistics are available at time of writing.) This was 37 per cent of the drop in all Canadian exports to Asia, and by far the largest dollar value drop for any province.



Fortunately the Asian flu has not been the only factor determining export levels in 1998. Strong gains in shipments to the United States have helped offset the negative effect of British Columbia's declining exports to Asia. This has meant that British Columbia did not suffer the worst overall export setback of any province, in spite of having to absorb the biggest losses in Asian trade. When shipments to all countries are considered, British Columbia's exports fell by a moderate 6 per cent in October year to date, considerably less than the 10 per cent drop for Saskatchewan exports and the 9 per cent drop for Alberta exports.

Saskatchewan's reliance on Asia for its export markets has been second only to British Columbia's. Not surprisingly, the size of its October year to date export losses in Asia was also the second highest in Canada, after British Columbia's.



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The decline in Saskatchewan exports to Asia was 28 per cent in October year to date, amounting to a $463 million drop in export revenues. Like British Columbia, Saskatchewan saw its exports to the United States grow over this period, although only by 3 per cent, amounting to an increase of just $138 million. Unlike British Columbia, Saskatchewan was also confronted with a serious ($93 million) drop in the value of its exports to the European Union.

British Columbia and Saskatchewan were at least able to offset big drops in exports to Asia with substantial increases in exports to the United States. Alberta was not so fortunate. Heavily dependent on oil and gas exports to the United States, the Alberta economy has had to cope with a price driven decline in U.S. bound exports simultaneously with a decline in the value of exports shipped to Asia.

Further east the 1998 export picture has been much more positive. Manitoba, Ontario, Quebec and the Atlantic provinces have all posted export gains in October year to date over the same months of 1997. The key to their export successes has been the ability to capitalise on the export opportunities presented by a fast expanding United States economy and a low valued Canadian dollar.

Export Mix Key to Success

The sharpest increases in exports to the United States during October year to date have been for secondary manufactured products.

For Canadians, Asia has primarily been a market in which to sell resource and agricultural commodities such as coal, metal ores, lumber, pulp and grains. This has meant that the resource rich provinces close to the Pacific trade routes have enjoyed special advantages in Asian trade.

The United States has also been an important market for many resource commodities. But increasingly its key importance to Canadians has been as the only major world market open to Canada for exports of secondary manufactured products.

Change In Value of Exports
Jan-October 1997 to Jan-October 1998

	to Asia		to US		to EU		to World	
	($ millions)	(%)	($ millions)	(%)	($ millions)	(%)	($ millions)	(%)
BC	-2,228	-30%	1,027	8%	-25	-2%	-1,388	-6%
Alta	-899	-29%	-1,087	-5%	6	1%	-2,406	-9%
Sask	-463	-28%	138	3%	-93	-19%	-854	-10%
Man	-120	-17%	717	16%	33	11%	439	7%
Ont	-1,550	-44%	12,330	12%	235	6%	11,124	10%
Que	-608	-33%	4,226	13%	389	11%	4,119	10%
Atlantic	-209	-27%	656	9%	52	5%	328	3%
Canada	-6,101	-32%	18,010	10%	485	4%	11,214	5%

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Ninety per cent of Canadian exports of secondary manufactured products went to the United States in 1997. For British Columbia the U.S. bound portion was 69 per cent. This was smaller than for some other provinces because of British Columbia's more diversified international trading patterns. But even for British Columbia the United States is still the most important market by far for secondary manufactured goods.

1998 has been a boom year for exports of secondary manufactured products across Canada. Canadian producers have had most of the decade to adjust to competitive realities under the North American Free Trade Agreement (NAFTA). In 1998, they have enjoyed the advantages of a rapidly expanding U.S. economy, a Canadian dollar at record lows, and a huge continental market opened up under NAFTA.

This has been apparent in growing volumes of exports shipped to the United States.

No province has benefited more from favourable conditions for exporting to the United States than Ontario. Ontario exports to the United States jumped by $12,330 million in October year to date. A key component in this was the $4,539 million increase in Ontario exports of motor vehicles. Increases in exports of electronic goods (including computers) added another $1,163 million.

Manitoba enjoyed the biggest percentage increase in exports to the United States of any province. Its $717 million jump in exports to the United States during October year to date amounted to a rise of 16 per cent. Gains were based in large part on shipments of aircraft parts, tractors, and other motor vehicle products.

Quebec's exports to the United States increased by $4,226, or 13 per cent, in October year to date. This included important increases in exports of secondary manufactured products such as a $696 million rise in exports of aircraft equipment, a $138 million rise in motor vehicle equipment exports, a $611 million rise in electronic equipment exports, and a $266 million rise in exports of furniture products.

Secondary manufactured products were also featured in British Columbia's $1,027 million of export gains to the United States during October year to date. These included, for example, a $521 million increase in the value of machinery and equipment of all types, and a $75 million increase in shipments of plastic products.

Statistics Canada
Spring 1999 Workshops

Census Workshop

Census data are widely used by librarians, community planners, advertisers, market researchers, labour analysts, social scientists and students. This workshop will review the universes, variables and geography of the 1996 Census and highlight the reference products, maps, geographic files, and print publications available.

❑ **Census Workshop - Vancouver**
February 5, 1999
8:30am - 12:00pm
6th floor boardroom
Library Square Office Tower

❑ **Census Workshop - Nanaimo**
February 26, 1999
8:30am - 12:00pm
The Duncan room
Coast Bastion Inn

❑ **Census Workshop - Vancouver**
March 19, 1999
8:30am - 12:00pm
6th floor boardroom
Library Square Office Tower

Half Day Workshop
- **$95 + GST**
- **$85 + GST early bird (register 2 weeks prior)**

Processing & Interpreting Survey Data

An experienced methodologist will provide expert guidance on effectively turning survey responses into useful information. Learn how to graph data and recognize the strengths and limitations of survey data.

❑ **Processing & Interpreting Survey Data - Vancouver**
February 11, 1999
8:30am - 4:30pm
Rm. 201
Library Square Office Tower

One Day Workshop
- **$215 + GST**
- **$195 + GST early bird (register by January 28)**

Suveys From Start to Finish

The entire survey process is broken down step by step with practical instruction at every stage. Topics will include survey planning, sampling methods, questionnaire design, analysis, interpretation and presentation of survey data.

❑ **Surveys From Start to Finish -Victoria**
February 17-19, 1999
8:30am - 4:00pm
Brittingham Conference Room
Bedford Regency Hotel

Three Day Workshop
- **$625 + GST**
- **$575 + GST early bird (register by February 3)**

Survey Sampling & Questionnaire Design

This comprehensive workshop covers the details essential to effective surveys. Learn to maximize the value of your survey results by selecting a sample that truly represents your population. Learn to design an effective questionnaire that will give you the information you need.

❑ **Survey Sampling & Questionnaire Design - Vancouver**
April 28-29, 1999
8:30am - 4:00pm
2nd floor conference rooms
Library Square Office Tower

Two Day Workshop
- **$425 + GST**
- **$390 + GST early bird (register by April 14)**

Registration

Name: _____

Organization: _____

Address: _____

City: _____ Prov: _____ Postal Code: _____

Phone: _____ Fax: _____

Cheque Amount (incl. GST) $: _____

Visa/M-Card No: _____

Expiry date: _____ Signature: _____

Make cheques and money orders payable to RECEIVER GENERAL FOR CANADA

Return form with payment to:
Workshop Registrar
Statistics Canada
#600-300 W. Georgia St.
Vancouver, BC V6B 6C7
Ph: (604) 666-1851
Fax to: (604) 666-6966

Registrations are guaranteed once payment is received. **Fees will be refunded, less an administrative charge, if written notice is received at least one week prior to the workshop.** Substitutions are permitted at any time. **Note: group and early bird group rates are also available.**

Aussi disponible en français

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Canada

Infoline

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fax transmission information service from **BC STATS**

also on the Internet at http://www.bcstats.gov.bc.ca

BC at a glance . . .

POPULATION (thousands)	Oct 1/98	% change on one year ago
BC	4,021.3	0.9
Canada	30,381.1	0.9
GDP and INCOME		
(BC - at market prices)	1997	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	109,347	3.3
GDP *($ 1992 millions)*	98,201	2.2
GDP *($ 1992 per Capita)*	24,775	0.1
Personal Disposable Income *($ 1992 per Capita)*	16,340	-2.3
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Nov	2,868	2.3
Merchandise Exports (raw) Nov	2,126	1.6
Retail Sales (seasonally adjusted) Nov	2,724	-3.0
CONSUMER PRICE INDEX		
(all items - 1992=100)	Dec '98	% change on one year ago
BC	109.7	0.3
Canada	108.7	1.0
LABOUR FORCE (thousands)		
(seasonally adjusted)	Dec '98	% change on one year ago
Labour Force - BC	2,063	2.6
Employed - BC	1,895	3.1
Unemployed - BC	168	-3.0
		Dec '97
Unemployment Rate - BC *(percent)*	8.2	8.6
Unemployment Rate - Canada *(percent)*	8.0	8.6
INTEREST RATES (percent)	Jan 20/99	Jan 21/98
Prime Business Rate	6.75	6.00
Conventional Mortgages - 1 year	6.40	6.40
- 5 year	6.90	6.85
US/CANADA EXCHANGE RATE	Jan 20/99	Jan 21/98
(avg. noon spot rate) Cdn $	1.5223	1.4438
US $ *(reciprocal of above rate)*	0.6569	0.6926
AVERAGE WEEKLY EARNINGS		
(industrial aggregate - dollars)	Oct '98	% change on one year ago
BC	623.55	1.5
Canada	608.83	2.0

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Earnings } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

Statistics Workshops

The preceding page identifies a series of workshops offered by Statistics Canada. Note that some of courses will be available in Victoria and Nanaimo, as well as in Vancouver. Book soon to take advantage of discounts for early registration.

Released this week by BC STATS

- Earnings & Employment Trends, Novemb. 1998
- Tourism Room Revenue, September 1998
- Consumer Price Index, December 1998

Next week

- Business Indicators, January 1999
- Current Statistics, January 1999
- Exports, November 1998

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